



Memorandum

TO: HONORABLE MAYOR AND
CITY COUNCIL

FROM: Katy Allen
Sara L. Hensley

SUBJECT: FLOYD & LOCUST STREET PARK PROJECT **DATE:** 04-21-04

Approved

Date

Council District: 3
SNI: Washington

RECOMMENDATION

Report on bids and award of contract for the Floyd & Locust Street Park Project to the low bidder, Scapes, Inc., in the amount of \$557,678, and approval of a contingency in the amount of \$28,000.

CEQA: Exempt, PP03-05-186.

BACKGROUND

Floyd and Locust Street Park, located in a residential neighborhood in central San José, is a 0.40 acre neighborhood park. The property, which was purchased for parkland in 2002, is located at the intersection of Floyd and Locust Streets and is bordered on two sides by single family homes (map attached). As the number one priority for the Washington Strong Neighborhood, the park design was developed with input from the surrounding community. The project includes a tot and youth play lot, a gazebo with seating, a picnic area with barbeques, an open turf area, park lighting and perimeter fencing.

Construction is scheduled to begin in June with completion in January 2005.

ANALYSIS

Bids were opened on March 11, 2004 with the following results:

<u>Contractor</u>	<u>Bid Amount</u>	<u>Variance Amount</u>	<u>Over/ (Under) Percent</u>
ESR Construction, Inc. (San Jose)	\$742,100	\$261,850	55

Stevens Creek Quarry (Cupertino)	599,500	119,250	25
ValleyCrest Landscape Development, Inc. (Pleasanton)	583,500	103,250	21
JFC Construction, Inc. (Lafayette)	581,307	101,057	21
Prism Engineering, Inc. (Hollister)	559,322	79,072	16
Scapes, Inc. (Half Moon Bay)	557,678	77,428	16
Engineer's Estimate	480,250	---	---

The low bid submitted by Scapes, Inc. is 16 percent above the Engineer's Estimate. Potential reasons for the higher bid include the competitive nature within the construction industry, higher material prices or a combination of these issues. Staff will continue to monitor issues affecting construction costs and report back to Council as required. The bid is considered acceptable for the work involved in the project.

Council Policy provides for a standard contingency of five percent on public works parks projects. The standard contingency is appropriate for this project.

PUBLIC OUTREACH

To solicit contractors, this project was listed on the City's Internet Bid Line and advertised in the *San José Post Record*. Bid packages for all Department of Public Works construction projects were provided to various contractor organizations and builder's exchanges.

COORDINATION

This project and memorandum have been coordinated with the City Attorney's Office, the City Manager's Budget Office and the Departments of Planning, Building and Code Enforcement and General Services.

COST IMPLICATIONS

1. AMOUNT OF RECOMMENDATION: \$557,678

2. COST OF PROJECT:

Project Delivery	\$ 99,000
Construction	557,678
Contingency	<u>28,000</u>
TOTAL	\$684,678

3. SOURCE OF FUNDING: 450 – Services for Redevelopment Capital Projects Fund
4. FISCAL IMPACT: This project is consistent with the Council-approved Budget Strategy Economic Recovery section in that it will spur construction spending in our local economy. The operating and maintenance costs for the Floyd and Locust Park will be approximately \$5,640 in FY2004-2005 and \$12,000 annually beginning in FY2005-2006.

BUDGET REFERENCE

Fund #	Appn #	Appn. Name	RC #	Total Appn.	Amt. for Contract	Adopted Budget Page	Last Budget Action (Date, Ord. No.)
450	4880	Floyd and Locust Park Development		\$820,000	\$557,678		3-16-04, Ord. No. 27084
		<u>Total</u>		\$820,000	\$557,678		

CEQA

Exempt, PP03-05-186.

KATY ALLEN
Director, Public Works Department

SARA L. HENSLEY
Director, Parks, Recreation and
Neighborhood Services Department

GR:wt:jp
Floyd & Locust award
Attachment